# GOVERNMENT OF INDIA
# PETROLEUM AND NATURAL GAS
# LOK SABHA

UNSTARRED QUESTION NO:398
ANSWERED ON:20.02.2003
HIKE IN PRICES OF PETROLEUM PRODUCTS
AMAR ROY PRADHAN

**Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:**

(a) whether due to frequent price hike of petrol and petroleum products, the inflation rate has gone unpredictably high in the recent months;

(b) if so, the steps the Government have taken so far to check the recurrence of such price rise in future; and

(c) the extent to which the Government propose to curb the inflation in prices to meet the budget deficit and check the rising burden of debts in future?

## Answer

MINISTER OF STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI SANTOSH KUMAR GANGWAR)

(a) & (b): No, Sir. The annual point to point inflation rate based on the Wholesale Price Index (WPI) remained below 2 per cent till the end of May 2002, and rose thereafter only to remain between 3-4 per cent level during much of the current financial year. The uptrend in global oil prices caused some inflationary undercurrents towards mid January 2003 pushing up the inflation rate to over 4% level for the first time in 2002-03 which is still quite moderate. The latest annual point to point inflation rate for the week ended February 1, 2003 is 4.9 percent.

(c): Inflation in prices is monitored by the Government on a regular basis and appropriate fiscal measures are taken to check inflation.. To check the rising burden of debts in future, Government have taken steps including prepayment of costly debts.